



QUARTERLY STATEMENT  
AS OF March 31, 2012  
OF THE CONDITION AND AFFAIRS OF THE  
Advantage Healthplan Inc.

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	95803	Employer's ID Number	52-1789742
Organized under the Laws of	District of Columbia		State of Domicile or Port of Entry	District of Columbia		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[ ] Dental Service Corporation[ ] Other[ ]		Property/Casualty[ ] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[ ] No[X] N/A[ ]		Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[X]	
Incorporated/Organized	07/31/1992		Commenced Business	11/01/1994		
Statutory Home Office	5335 Wisconsin Ave., N.W., Suite 440 (Street and Number)		Washington, DC 20015 (City, or Town, State and Zip Code)			
Main Administrative Office	5335 Wisconsin Ave., N.W., Suite 440 (Street and Number)		Washington, DC 20015 (City or Town, State and Zip Code)			
Mail Address	P.O. Box 9596 (Street and Number or P.O. Box)		(202)460-8191 (Area Code) (Telephone Number)			
Primary Location of Books and Records	5335 Wisconsin Ave., N.W., Suite 440 (Street and Number)		Washington, DC 20015 (City, or Town, State and Zip Code)			
Internet Web Site Address			(202)460-8191 (Area Code) (Telephone Number)			
Statutory Statement Contact	Clinton E Jones (Name)		(202)243-0564 (Area Code)(Telephone Number)(Extension)			
	cjones@ahealthplan.com (E-Mail Address)		(202)521-4044 (Fax Number)			

OFFICERS

Name	Title
Elliot R. Wolff	President
Clinton E Jones	Chief Financial Officer
	0

OTHERS

DIRECTORS OR TRUSTEES

Elliot R. Wolff

State of \_\_\_\_\_  
County of \_\_\_\_\_ ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature) Elliot R. Wolff	(Signature) Clinton E Jones	(Signature)
(Printed Name) 1. President	(Printed Name) 2. Chief Financial Officer	(Printed Name) 3.
(Title)	(Title)	(Title)
Subscribed and sworn to before me this _____ day of _____, 2012	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[X] No[ ] _____ _____ _____
_____ (Notary Public Signature)		

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds .....	1,183,384		1,183,384	1,300,741
2.	Stocks:				
2.1	Preferred stocks .....				
2.2	Common stocks .....	135,920		135,920	149,225
3.	Mortgage loans on real estate:				
3.1	First liens .....				
3.2	Other than first liens .....				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2	Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3	Properties held for sale (less \$.....0 encumbrances) .....				
5.	Cash (\$.....19,099), cash equivalents (\$.....0) and short-term investments (\$.....5,364) .....	24,463		24,463	53,759
6.	Contract loans (including \$.....0 premium notes) .....				
7.	Derivatives .....				
8.	Other invested assets .....				
9.	Receivables for securities .....				
10.	Securities lending reinvested collateral assets .....				
11.	Aggregate write-ins for invested assets .....				
12.	Subtotals, cash and invested assets (Lines 1 to 11) .....	1,343,767		1,343,767	1,503,725
13.	Title plants less \$.....0 charged off (for Title insurers only) .....				
14.	Investment income due and accrued .....	21,483		21,483	17,659
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection .....				
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) .....				
15.3	Accrued retrospective premiums .....				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers .....				
16.2	Funds held by or deposited with reinsured companies .....				
16.3	Other amounts receivable under reinsurance contracts .....				
17.	Amounts receivable relating to uninsured plans .....				
18.1	Current federal and foreign income tax recoverable and interest thereon .....				
18.2	Net deferred tax asset .....				
19.	Guaranty funds receivable or on deposit .....				
20.	Electronic data processing equipment and software .....				
21.	Furniture and equipment, including health care delivery assets (\$.....0) .....				
22.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
23.	Receivables from parent, subsidiaries and affiliates .....				
24.	Health care (\$.....0) and other amounts receivable .....				
25.	Aggregate write-ins for other than invested assets .....	51,250	51,250		
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	1,416,500	51,250	1,365,250	1,521,384
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28.	Total (Lines 26 and 27) .....	1,416,500	51,250	1,365,250	1,521,384
DETAILS OF WRITE-INS					
1101.	.....				
1102.	.....				
1103.	.....				
1198.	Summary of remaining write-ins for Line 11 from overflow page .....				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501.	Deposit paid on Administrative office space .....	1,250	1,250		
2502.	Legal retainer .....	50,000	50,000		
2503.	.....				
2598.	Summary of remaining write-ins for Line 25 from overflow page .....				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	51,250	51,250		

**LIABILITIES, CAPITAL AND SURPLUS**

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded) .....				
2.	Accrued medical incentive pool and bonus amounts .....				
3.	Unpaid claims adjustment expenses .....				
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act .....				
5.	Aggregate life policy reserves .....				
6.	Property/casualty unearned premium reserve .....				
7.	Aggregate health claim reserves .....				
8.	Premiums received in advance .....				
9.	General expenses due or accrued .....	61,178		61,178	59,930
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) .....				
10.2	Net deferred tax liability .....				
11.	Ceded reinsurance premiums payable .....				
12.	Amounts withheld or retained for the account of others .....				
13.	Remittances and items not allocated .....				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15.	Amounts due to parent, subsidiaries and affiliates .....				
16.	Derivatives .....				
17.	Payable for securities .....				
18.	Payable for securities lending .....				
19.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers) .....				
20.	Reinsurance in unauthorized companies .....				
21.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
22.	Liability for amounts held under uninsured plans .....				
23.	Aggregate write-ins for other liabilities (including \$.....0 current) .....				
24.	Total liabilities (Lines 1 to 23) .....	61,178		61,178	59,930
25.	Aggregate write-ins for special surplus funds .....	X X X	X X X		
26.	Common capital stock .....	X X X	X X X	130,250	130,250
27.	Preferred capital stock .....	X X X	X X X		
28.	Gross paid in and contributed surplus .....	X X X	X X X	339,780	339,780
29.	Surplus notes .....	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
31.	Unassigned funds (surplus) .....	X X X	X X X	834,042	991,424
32.	Less treasury stock, at cost:				
32.1	.....0 shares common (value included in Line 26 \$.....0) .....	X X X	X X X		
32.2	.....0 shares preferred (value included in Line 27 \$.....0) .....	X X X	X X X		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32) .....	X X X	X X X	1,304,072	1,461,454
34.	Total Liabilities, capital and surplus (Lines 24 and 33) .....	X X X	X X X	1,365,250	1,521,384
DETAILS OF WRITE-INS					
2301.	.....				
2302.	.....				
2303.	.....				
2398.	Summary of remaining write-ins for Line 23 from overflow page .....				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....				
2501.	.....	X X X	X X X		
2502.	.....	X X X	X X X		
2503.	.....	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page .....	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	X X X	X X X		
3001.	.....	X X X	X X X		
3002.	.....	X X X	X X X		
3003.	.....	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page .....	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) .....	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months .....	X X X .....			
2.	Net premium income (including \$.....0 non-health premium income) .....	X X X .....			
3.	Change in unearned premium reserves and reserves for rate credits .....	X X X .....			
4.	Fee-for-service (net of \$.....0 medical expenses) .....	X X X .....			
5.	Risk revenue .....	X X X .....			
6.	Aggregate write-ins for other health care related revenues .....	X X X .....			
7.	Aggregate write-ins for other non-health revenues .....	X X X .....			
8.	Total revenues (Lines 2 to 7) .....	X X X .....			
Hospital and Medical:					
9.	Hospital/medical benefits .....				
10.	Other professional services .....				
11.	Outside referrals .....				
12.	Emergency room and out-of-area .....				
13.	Prescription drugs .....				
14.	Aggregate write-ins for other hospital and medical .....				
15.	Incentive pool, withhold adjustments and bonus amounts .....				
16.	Subtotal (Lines 9 to 15) .....				
Less:					
17.	Net reinsurance recoveries .....				
18.	Total hospital and medical (Lines 16 minus 17) .....				
19.	Non-health claims (net) .....				
20.	Claims adjustment expenses, including \$.....0 cost containment expenses .....				
21.	General administrative expenses .....		91,907	73,797	248,558
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....				
23.	Total underwriting deductions (Lines 18 through 22) .....		91,907	73,797	248,558
24.	Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X .....	(91,907)	(73,797)	(248,558)
25.	Net investment income earned .....		14,402	16,021	70,142
26.	Net realized capital gains (losses) less capital gains tax of \$.....0 .....				28,408
27.	Net investment gains or (losses) (Lines 25 plus 26) .....		14,402	16,021	98,550
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....				
29.	Aggregate write-ins for other income or expenses .....				
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X .....	(77,505)	(57,776)	(150,008)
31.	Federal and foreign income taxes incurred .....	X X X .....			
32.	Net income (loss) (Lines 30 minus 31) .....	X X X .....	(77,505)	(57,776)	(150,008)
DETAILS OF WRITE-INS					
0601.	Healthcare settlements and sales of Furniture & Fixtures .....	X X X .....			
0602.	Healthcare settlements, refunds and rebates .....	X X X .....			
0603.	.....	X X X .....			
0698.	Summary of remaining write-ins for Line 6 from overflow page .....	X X X .....			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X .....			
0701.	Distribution from bankruptcy claim .....	X X X .....			
0702.	Furniture & Equipment Sales .....	X X X .....			
0703.	.....	X X X .....			
0798.	Summary of remaining write-ins for Line 7 from overflow page .....	X X X .....			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	X X X .....			
1401.	.....				
1402.	.....				
1403.	.....				
1498.	Summary of remaining write-ins for Line 14 from overflow page .....				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....				
2901.	Penalties for late filing .....				
2902.	.....				
2903.	.....				
2998.	Summary of remaining write-ins for Line 29 from overflow page .....				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....				

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>				
33.	Capital and surplus prior reporting year .....	1,461,454	1,627,424	1,627,424
34.	Net income or (loss) from Line 32 .....	(77,505)	(57,776)	(150,008)
35.	Change in valuation basis of aggregate policy and claim reserves .....			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 .....	(29,876)	6,536	(16,512)
37.	Change in net unrealized foreign exchange capital gain or (loss) .....			
38.	Change in net deferred income tax .....			
39.	Change in nonadmitted assets .....	(50,000)		550
40.	Change in unauthorized reinsurance .....			
41.	Change in treasury stock .....			
42.	Change in surplus notes .....			
43.	Cumulative effect of changes in accounting principles .....			
44.	Capital Changes:			
44.1	Paid in .....			
44.2	Transferred from surplus (Stock Dividend) .....			
44.3	Transferred to surplus .....			
45.	Surplus adjustments:			
45.1	Paid in .....			
45.2	Transferred to capital (Stock Dividend) .....			
45.3	Transferred from capital .....			
46.	Dividends to stockholders .....			
47.	Aggregate write-ins for gains or (losses) in surplus .....			
48.	Net change in capital and surplus (Lines 34 to 47) .....	(157,381)	(51,240)	(165,970)
49.	Capital and surplus end of reporting period (Line 33 plus 48) .....	1,304,073	1,576,184	1,461,454
<b>DETAILS OF WRITE-INS</b>				
4701.	.....	.....	.....	.....
4702.	.....	.....	.....	.....
4703.	.....	.....	.....	.....
4798.	Summary of remaining write-ins for Line 47 from overflow page .....	.....	.....	.....
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	.....	.....	.....

CASH FLOW

		1	2	3
		Current	Prior	Prior
		Year	Year	Year Ended
		To Date	To Date	December 31
Cash from Operations				
1.	Premiums collected net of reinsurance .....			
2.	Net investment income .....	(37,679)	9,684	88,932
3.	Miscellaneous income .....			
4.	Total (Lines 1 to 3) .....	(37,679)	9,684	88,932
5.	Benefit and loss related payments .....			
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	91,907	73,797	248,558
8.	Dividends paid to policyholders .....			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....			
10.	Total (Lines 5 through 9) .....	91,907	73,797	248,558
11.	Net cash from operations (Line 4 minus Line 10) .....	(129,586)	(64,113)	(159,626)
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds .....	245,000		305,000
12.2	Stocks .....			47,101
12.3	Mortgage loans .....			
12.4	Real estate .....			
12.5	Other invested assets .....			
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....			
12.7	Miscellaneous proceeds .....			589
12.8	Total investment proceeds (Lines 12.1 to 12.7) .....	245,000		352,690
13.	Cost of investments acquired (long-term only):			
13.1	Bonds .....	144,710		298,914
13.2	Stocks .....			
13.3	Mortgage loans .....			
13.4	Real estate .....			
13.5	Other invested assets .....			
13.6	Miscellaneous applications .....		6,537	4,640
13.7	Total investments acquired (Lines 13.1 to 13.6) .....	144,710	6,537	303,554
14.	Net increase (or decrease) in contract loans and premium notes .....			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	100,290	(6,537)	49,136
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes .....			
16.2	Capital and paid in surplus, less treasury stock .....			
16.3	Borrowed funds .....			
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....			
16.5	Dividends to stockholders .....			
16.6	Other cash provided (applied) .....			
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....			
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(29,296)	(70,650)	(110,491)
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year .....	53,759	164,250	164,250
19.2	End of period (Line 18 plus Line 19.1) .....	24,463	93,600	53,759

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
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**7 Exhibit of Premiums, Enrollment and Utilization ..... NONE**

**8 Claims Payable** ..... **NONE**

**9 Underwriting Investment Exhibit . . . . . NONE**

# Notes to Financial Statement

Advantage Healthplan Inc.  
March 31, 2012

## 1. Summary of Significant Accounting Policies

A. The accompanying financial statements of Advantage Healthplan Inc. (the "Company") have been prepared in conformity with the NAIC Annual Statement Instructions and *Accounting Policies and Procedures* and the laws of the District of Columbia.

B. The preparation of the financial statements in conformity with Annual Statement Instructions and *Accounting Practices and Procedures* manual requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues and expenses in the financial statements and in the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

C. (1) The Company's short-term investments are at market value.

(2) Bonds are at amortized cost using the scientific interest method.

(3) Common stocks are at market value.

(4) Preferred stocks are at market value.

(5) The Company has no mortgage loans.

(6) The Company has no loan backed securities.

(7) The Company has no investments in subsidiaries, controlled or affiliated companies.

(8) The Company has no investments in joint ventures, partnerships or limited companies.

(9) The Company has no derivatives.

(10) The Company did include anticipated investment income as a factor in the premium deficiency calculation.

(11) No claims liability is reported and the Company believes that any currently asserted claims are outside of the timely filing requirement and are therefore not valid.

(12) The Company has not changed the capitalization policy.

(13) The Company has no pharmaceutical rebate receivable.

## 2. Accounting Changes and Corrections of Errors

There were no accounting changes during the current year.

## 3. Business combinations and Goodwill

There were no business combinations or goodwill during the current year.

## 4. Discontinued Operations

The Government of the District of Columbia transferred all of the Company's Medicaid enrollees to other HMOs on August 31, 2004. The Medicaid contract represented approximately 99% of the Company's enrollment and premium revenue. Therefore, the Company promptly chose to discontinue all HMO operations including immediate discontinuance of accepting new commercial business, cessation of coverage of commercial enrollees on December 31, 2004, and the subsequent winding up of administrative and other HMO activities. These actions were reported to and approved by the District of Columbia Department of Insurance, Securities and Banking.

## 5. Investments

A. Mortgage Loans-The Company has no mortgage loans.

B. Debt Restructuring-The Company has no debt restructuring.

C. Reverse Mortgages-The Company has no reverse mortgages.

D. Loan-Backed Securities-The Company has no loan-backed securities.

E. Repurchase Agreements-The Company has no repurchase agreements.

F. Real Estate-The Company has no real estate.

G. Investments in Low-Income Housing Tax Credits(LIHTC)-The Company has no investments in LIHTC's

## 6. Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in joint ventures, partnerships or limited liability companies.

## 7. Investment Income

The Company does not exclude any investment income.

## 8. Derivative Instruments

The Company has no derivative instruments.

## 9. Income Taxes

The Company has elected S Corporation federal income tax status under Sections 1361-1379 of the Internal Revenue Code of 1986, and the Internal Revenue Service has approved that election. Accordingly, the Company is not subject to federal income taxes.

## 10. Information Concerning Parent, Subsidiaries and Affiliates

The Company is directly controlled by the estate of Barrington B. Barnes, M.D., which owns 10% of the Company's stock, and by Elliot R. Wolff, who owns beneficially and of record 90% of the Company's outstanding stock and who serves as the only director as well as Chief Executive Officer, President and Chairman.

## 11. Debt

The Company has no debt.

## 12. Retirement Plans, Deferred Compensation, Post Employment Benefits, and Compensated Absences and Other Postretirement Benefit Plans.

The Company adopted a 401(k) defined contribution plan during the fiscal year ended September 30, 1995. Employees can defer up to 15 percent of compensation through deposits into the plan, and the Company matches employee contributions up to 100 percent. The eligibility requirements to participate in the 401(k) plan are completion of 90 days employment and attainment of 21 years of age. The plan also permits the Company to make profit-sharing contributions for which the eligibility requirement is employment with the Company on the last day of the fiscal year.



# Notes to Financial Statement

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations
- (1) Common stock has a par value of \$.10 per share. As of September 30, 2011, 2,000,000 shares were authorized and 1,302,500 shares were issued and outstanding.
  - (2) There is no preferred stock.
  - (3) There are no dividend restrictions.
  - (4) There were no dividends paid.
  - (5) There are no restrictions on the portion of the Company's profits that may be paid as ordinary dividends to stockholders.
  - (6) There are no restrictions on unassigned funds (surplus).
  - (7) There are no advances to surplus not repaid.
  - (8) The Company does not hold stock for conversion of preferred stock, employee stock options or stock purchase warrants.
  - (9) The Company does not have any special surplus funds.
  - (10) The portion of the unassigned funds (surplus) represented by:
    - a. Unrealized gains and losses \$46,158.14
    - b. Nonadmitted asset values \$51,250
    - c. Separate account business \$ -0-
    - d. Asset valuation reserves \$ -0-
    - e. Provision for reinsurance \$ -0-
  - (11) The Company has no surplus notes.
  - (12) The Company did not have a quasi-reorganization.
14. Contingencies
- A. Contingent Commitments  
The Company did not have any commitments to a joint venture partnership or limited liability company.
  - B. Assessments  
The Company has no known assessments.
  - C. The Company has no gain contingencies.
  - D . All Other Contingencies
    - The Company has a claim pending in the District of Columbia Contract Appeals Board (CAB) against the District for damages under the Medicaid Contract from 1994 – 1998 for premiums due for newborn enrollees under the Medicaid Contract, for failure to calculate an actuarially sound capitation rate as required by the contract and District and federal law, and for breach of the Medicaid Contract by not permitting voluntary selections and default assignments to the Company in 1997 and 1998. The District filed a counterclaim seeking offset and damages for alleged failure by the Company to provide certain services under the Medicaid Contract, as well as a motion to dismiss the Company's claim for lack of jurisdiction. The CAB denied the District's motion to dismiss.
    - A hospital filed suit against the Company on October 14, 2003, seeking payment for services provided to five individuals who are alleged to have been enrolled in the Company's HMO. The hospital claims that the Company owes it \$189,700 as payment for medical services provided to those individuals. It also seeks attorneys' fees in the amount of \$62,236. The Company's motion to dismiss this litigation is pending in the United States District Court for the District of Columbia.
    - The Company also has litigation pending against the District in the Contract Appeals Board for damages as a result of the District's termination of the Medicaid Contract in August 2004 and for claims that arose under the Medicaid Contract.
15. Leases
- A. (1) The Company's current leases have terms shorter than one year.
  - (2) The Company does not have any sale-leaseback transactions.
  - B. Leasing is not a significant part of the Company's business activities in terms of revenue, net income or assets.
16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk. The Company does not have any financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk.
17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities  
The Company did not sell, transfer and service financial assets nor extinguish any liabilities.
18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.  
The Company does not have any gain or loss from uninsured or partially insured plans.
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators  
The Company does not have any direct premium produced by managing general agents or third party administrators.
20. Fair Value Measurement – The Company has no assets or liabilities in the statement of financial position that were reported at fair value after initial recognition of the assets. The only assets that are reported at fair value are common stock and the change in value is reported in note 13(10)a.
21. Other Items
- A. Extraordinary Items-The Company has no extraordinary events or transactions.
  - B. Troubled Debt Restructuring-The Company has no debt.
  - C. Other Disclosures-The Company did not have any other unusual items such as amounts not recorded in the financial statements that represent segregated funds held for others or assets pledged to others as collateral.
  - D. Uncollected premium balances- The Company has no uncollected premium.
  - E. Business Interruption Insurance Recoveries-The Company had no business interruptions that were insurable.
22. Events Subsequent  
No events occurred subsequent to the close of the books or accounts for this statement that may have a material effect on the financial condition of the Company.
23. Reinsurance

# Notes to Financial Statement

The Company has no reinsurance of any type in force.

24. Retrospectively Rated Contracts  
The Company did not retrospectively rate contracts.
25. Change in Incurred Claims and Claim Adjustment Expenses  
None.
26. Intercompany Pooling Arrangements  
The Company is not part of a group of affiliated insurers.
27. Structured Settlements - Not applicable.
28. Health Care Receivables  
The Company has no health care receivables.
29. Participating Policies  
The Company does not have any participating policies.
30. Premium Deficiency Reserves  
The Company currently has no premium deficiency recorded.
31. Anticipated Salvage and Subrogation  
The Company did not reduce the liability for unpaid claims or losses for any amounts related to salvage or subrogation
32. Minimum Net Worth - General Interrogatory Part 2 - #2 Line 11.6  
Under the laws of the District of Columbia, the Company is required to maintain a minimum net worth equal to the greatest of \$1,000 000, 2% of annual revenues, the sum of three months of uncovered expenses, or 4% of hospital expenditures paid on a managed care basis plus 8% of annual healthcare expenditures not paid on either a capitated or managed care basis. The Company is in compliance with this law.

Annual revenue	\$0 x 2% =	<u>\$0</u>
Healthcare expenditures		
	@ 4%	\$0 x 4% = \$0
	@ 8%	\$ 0 x 8% = \$ 0
	total	<u>0</u>
Minimum dollar amount		= <u>\$1,000,000</u>

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[ ] No[ ] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 2.2 If yes, date of change:

.....
3. Have there been any substantial changes in the organizational chart since the prior quarter end?  
If yes, complete the Schedule Y - Part 1 - organizational chart.

Yes[ ] No[X]
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
.....	.....	.....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?  
If yes, attach an explanation.

Yes[ ] No[ ] N/A[X]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2007
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....04/30/2009
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....04/30/2009
- 6.4 By what department or departments?  
The District of Columbia Department of Insurance, Securities and Banking
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[X] No[ ] N/A[ ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[X] No[ ] N/A[ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[ ] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC
.....	.....	. Yes[ ] No[X]	. Yes[ ] No[X]	. Yes[ ] No[X]	. Yes[ ] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?  
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
(c) Compliance with applicable governmental laws, rules and regulations;  
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
(e) Accountability for adherence to the code.

Yes[X] No[ ]
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[ ] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[ ] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[ ] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[ ] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....0
13. Amount of real estate and mortgages held in short-term investments:

\$.....0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[ ] No[X]
- 14.2 If yes, please complete the following:

**GENERAL INTERROGATORIES (Continued)**

		1	2
		Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21	Bonds .....		
14.22	Preferred Stock .....		
14.23	Common Stock .....		
14.24	Short-Term Investments .....		
14.25	Mortgages Loans on Real Estate .....		
14.26	All Other .....		
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....		
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above .....		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

Yes[ ] No[X]  
Yes[ ] No[ ] N/A[X]

16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[ ]

1	2
Name of Custodian(s)	Custodian Address
PNC Advisors .....	808 17th St NW, Washington, DC 20006 .....
Fidelity Investments .....	1900 K St NW Ste 110, Washionjgton, DC 20006 .....
Morgan Stanley Smith Barney .....	1850 K St NW, Ste 900, Washington DC 20006 .....

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....	.....	.....

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

16.4 If yes, give full and complete information relating thereto:

Yes[ ] No[X]

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....	.....	.....	.....

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
.....	.....	.....

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

17.2 If no, list exceptions:

Yes[X] No[ ]

**GENERAL INTERROGATORIES**

**PART 2 - HEALTH**

1. Operating Percentages:	
1.1 A&H loss percent	0.000%
1.2 A&H cost containment percent	0.000%
1.3 A&H expense percent excluding cost containment expenses	0.000%
2.1 Do you act as a custodian for health savings accounts?	Yes[ ] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[ ] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

**SCHEDULE S - CEDED REINSURANCE**  
**Showing All New Reinsurance Treaties - Current Year to Date**

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
			<div>NONE</div>			

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**  
**Current Year to Date - Allocated by States and Territories**

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL) .....	N								
2.	Alaska (AK) .....	N								
3.	Arizona (AZ) .....	N								
4.	Arkansas (AR) .....	N								
5.	California (CA) .....	N								
6.	Colorado (CO) .....	N								
7.	Connecticut (CT) .....	N								
8.	Delaware (DE) .....	N								
9.	District of Columbia (DC) .....	L								
10.	Florida (FL) .....	N								
11.	Georgia (GA) .....	N								
12.	Hawaii (HI) .....	N								
13.	Idaho (ID) .....	N								
14.	Illinois (IL) .....	N								
15.	Indiana (IN) .....	N								
16.	Iowa (IA) .....	N								
17.	Kansas (KS) .....	N								
18.	Kentucky (KY) .....	N								
19.	Louisiana (LA) .....	N								
20.	Maine (ME) .....	N								
21.	Maryland (MD) .....	N								
22.	Massachusetts (MA) .....	N								
23.	Michigan (MI) .....	N								
24.	Minnesota (MN) .....	N								
25.	Mississippi (MS) .....	N								
26.	Missouri (MO) .....	N								
27.	Montana (MT) .....	N								
28.	Nebraska (NE) .....	N								
29.	Nevada (NV) .....	N								
30.	New Hampshire (NH) .....	N								
31.	New Jersey (NJ) .....	N								
32.	New Mexico (NM) .....	N								
33.	New York (NY) .....	N								
34.	North Carolina (NC) .....	N								
35.	North Dakota (ND) .....	N								
36.	Ohio (OH) .....	N								
37.	Oklahoma (OK) .....	N								
38.	Oregon (OR) .....	N								
39.	Pennsylvania (PA) .....	N								
40.	Rhode Island (RI) .....	N								
41.	South Carolina (SC) .....	N								
42.	South Dakota (SD) .....	N								
43.	Tennessee (TN) .....	N								
44.	Texas (TX) .....	N								
45.	Utah (UT) .....	N								
46.	Vermont (VT) .....	N								
47.	Virginia (VA) .....	N								
48.	Washington (WA) .....	N								
49.	West Virginia (WV) .....	N								
50.	Wisconsin (WI) .....	N								
51.	Wyoming (WY) .....	N								
52.	American Samoa (AS) .....	N								
53.	Guam (GU) .....	N								
54.	Puerto Rico (PR) .....	N								
55.	U.S. Virgin Islands (VI) .....	N								
56.	Northern Mariana Islands (MP) .....	N								
57.	Canada (CN) .....	N								
58.	Aggregate other alien (OT) .....	X X X								
59.	Subtotal .....	X X X								
60.	Reporting entity contributions for Employee Benefit Plans .....	X X X								
61.	Total (Direct Business) .....	(a)..... 1								
DETAILS OF WRITE-INS										
5801.	.....	X X X								
5802.	.....	X X X								
5803.	.....	X X X								
5898.	Summary of remaining write-ins for Line 58 from overflow page .....	X X X								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above) .....	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

**15     Schedule Y - Part 1 ..... NONE**

**16     Schedule Y Part 1A - Detail of Insurance Holding Company System ..... NONE**



# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

RESPONSE
No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



95803201236500001

2012

Document Code: 365

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1	2	3	4
	Uncovered	Total	Total	Total
1404. ....	.....	.....	.....	.....
1497. Summary of remaining write-ins for Line 14 (Lines 1404 through 1496) .....	.....	.....	.....	.....

Real Estate		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....		
2.	Cost of acquired .....		
2.1	Actual cost at time of acquisition .....		
2.2	Additional investment made after acquisition .....		
3.	Current year change in encumbrances .....		
4.	Total gain (loss) on disposals .....		
5.	Deduct amounts received on disposals .....		
6.	Total foreign exchange change in book/adjusted carrying value .....		
7.	Deduct current year's other than temporary impairment recognized .....		
8.	Deduct current year's depreciation .....		
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8 ) .....		
10.	Deduct total nonadmitted amounts .....		
11.	Statement value at end of current period (Line 9 minus Line 10) .....		

SCHEDULE B - VERIFICATION

Mortgage Loans

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2.	Cost of acquired: .....		
2.1	Actual cost at time of acquisition .....		
2.2	Additional investment made after acquisition .....		
3.	Capitalized deferred interest and other .....		
4.	Accrual of discount .....		
5.	Unrealized valuation increase (decrease) .....		
6.	Total gain (loss) on disposals .....		
7.	Deduct amounts received on disposals .....		
8.	Deduct amortization of premium and mortgage interest points .....		
9.	Total foreign exchange change in book value/recorded investment .....		
10.	Deduct current year's other than temporary impairment recognized .....		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....		
12.	Total valuation allowance .....		
13.	Subtotal (Line 11 plus Line 12) .....		
14.	Deduct total nonadmitted amounts .....		
15.	Statement value at end of current period (Line 13 minus Line 14) .....		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....		
2.	Cost of acquired: .....		
2.1	Actual cost at time of acquisition .....		
2.2	Additional investment made after acquisition .....		
3.	Capitalized deferred interest and other .....		
4.	Accrual of discount .....		
5.	Unrealized valuation increase (decrease) .....		
6.	Total gain (loss) on disposals .....		
7.	Deduct amounts received on disposals .....		
8.	Deduct amortization of premium and depreciation .....		
9.	Total foreign exchange change in book/adjusted carrying value .....		
10.	Deduct current year's other than temporary impairment recognized .....		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....		
12.	Deduct total nonadmitted amounts .....		
13.	Statement value at end of current period (Line 11 minus Line 12) .....		

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	1,449,966	1,491,000
2.	Cost of bonds and stocks acquired .....	144,710	298,914
3.	Accrual of discount .....	(30,372)	8,102
4.	Unrealized valuation increase (decrease) .....		4,640
5.	Total gain (loss) on disposals .....		(589)
6.	Deduct consideration for bonds and stocks disposed of .....	245,000	352,101
7.	Deduct amortization of premium .....		
8.	Total foreign exchange change in book/adjusted carrying value .....		
9.	Deduct current year's other than temporary impairment recognized .....		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	1,319,304	1,449,966
11.	Deduct total nonadmitted amounts .....		
12.	Statement value at end of current period (Line 10 minus Line 11) .....	1,319,304	1,449,966

**SCHEDULE D - PART 1B**  
**Showing the Acquisitions, Dispositions and Non-Trading Activity**  
**During the Current Quarter for all Bonds and Preferred Stock by Rating Class**

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a) .....	1,306,295	144,710	245,000	(22,621)	1,183,384			1,306,295
2. Class 2 (a) .....								
3. Class 3 (a) .....								
4. Class 4 (a) .....								
5. Class 5 (a) .....								
6. Class 6 (a) .....								
7. Total Bonds .....	1,306,295	144,710	245,000	(22,621)	1,183,384			1,306,295
<b>PREFERRED STOCK</b>								
8. Class 1 .....								
9. Class 2 .....								
10. Class 3 .....								
11. Class 4 .....								
12. Class 5 .....								
13. Class 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds & Preferred Stock .....	1,306,295	144,710	245,000	(22,621)	1,183,384			1,306,295

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

**SCHEDULE DA - PART 1**

**Short - Term Investments**

	1 Book/Adjusted Carrying Value	2  Par Value	3  Actual Cost	4  Interest Collected Year To Date	5  Paid for Accrued Interest Year To Date
9199999. Totals .....	5,364	X X X	5,554	1	

**SCHEDULE DA - Verification**

**Short-Term Investments**

		1  Year To Date	2  Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	5,554	87,014
2.	Cost of short-term investments acquired .....	5,364	5,554
3.	Accrual of discount .....		
4.	Unrealized valuation increase (decrease) .....		
5.	Total gain (loss) on disposals .....		
6.	Deduct consideration received on disposals .....	5,554	87,014
7.	Deduct amortization of premium .....		
8.	Total foreign exchange change in book/adjusted carrying value .....		
9.	Deduct current year's other than temporary impairment recognized ....		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	5,364	5,554
11.	Deduct total nonadmitted amounts .....		
12.	Statement value at end of current period (Line 10 minus Line 11) .....	5,364	5,554

<b>SI04</b>	<b>Schedule DB - Part A Verification .....</b>	<b>NONE</b>
-------------	--	-------------

<b>SI04</b>	<b>Schedule DB - Part B Verification .....</b>	<b>NONE</b>
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<b>SI05</b>	<b>Schedule DB Part C Section 1 .....</b>	<b>NONE</b>
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<b>SI06</b>	<b>Schedule DB Part C Section 2</b>	<b>NONE</b>
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SI07	Schedule DB - Verification .....	NONE
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**SI08 Schedule E - Verification (Cash Equivalents) ..... NONE**

**E01      Schedule A Part 2 ..... NONE**

**E01      Schedule A Part 3 ..... NONE**

**E02      Schedule B Part 2 ..... NONE**

**E02      Schedule B Part 3 ..... NONE**

**E03      Schedule BA Part 2 ..... NONE**

**E03      Schedule BA Part 3 ..... NONE**

**SCHEDULE D - PART 3**

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Special Revenue, Special Assessment</b>									
3133EAEP9 .....	Federal Farm Credit Bank 3.34% .....		02/22/2012 ....	PNC Advisors .....	X X X .....	144,710 .....	145,000.00 .....		AAA .....
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment .....					X X X .....	144,710 .....	145,000.00 .....		X X X .....
8399997 Subtotal - Bonds - Part 3 .....					X X X .....	144,710 .....	145,000.00 .....		X X X .....
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly) .....					X X X .....	X X X .....	X X X .....	X X X .....	X X X .....
8399999 Subtotal - Bonds .....					X X X .....	144,710 .....	145,000.00 .....		X X X .....
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly) .....					X X X .....	X X X .....	X X X .....	X X X .....	X X X .....
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly) .....					X X X .....	X X X .....	X X X .....	X X X .....	X X X .....
9899999 Subtotal - Preferred and Common Stocks .....					X X X .....		X X X .....		X X X .....
9999999 Total - Bonds, Preferred and Common Stocks .....					X X X .....	144,710 .....	X X X .....		X X X .....

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.



**SCHEDULE D - PART 4**  
**Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of**  
**During the Current Quarter**

1	2	3 F o r e i g n	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description		Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Special Revenue, Special Assessment</b>																					
313370E20 ..	Federal Home Loan Bank 4.37% .....	...	02/14/2012	PNC Advisors .....	... X X X ...	..... 145,000	..... 145,000.00	..... 145,456	..... 144,465	..... 535	.....	.....	..... 535	.....	..... 145,000	.....	.....	.....	..... 6,337	08/05/2030	AAA .....
313371MW3 ..	Federal Home Loan Bank .....	...	02/08/2012	PNC Advisors .....	... X X X ...	..... 100,000	..... 100,000.00	..... 100,000	..... 100,000	.....	.....	.....	.....	.....	..... 100,000	.....	.....	.....	..... 4,150	11/22/2030	AAA .....
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment .....					... X X X ...	..... 245,000	..... 245,000.00	..... 245,456	..... 244,465	..... 535	.....	.....	..... 535	.....	..... 245,000	.....	.....	.....	..... 10,487	.. X X X .	.. X X X .
8399997 Subtotal - Bonds - Part 4 .....					... X X X ...	..... 245,000	..... 245,000.00	..... 245,456	..... 244,465	..... 535	.....	.....	..... 535	.....	..... 245,000	.....	.....	.....	..... 10,487	.. X X X .	.. X X X .
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly) .....					... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X .
8399999 Subtotal - Bonds .....					... X X X ...	..... 245,000	..... 245,000.00	..... 245,456	..... 244,465	..... 535	.....	.....	..... 535	.....	..... 245,000	.....	.....	.....	..... 10,487	.. X X X .	.. X X X .
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly) .....					... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X .	... X X X .
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly) .....					... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X .	... X X X .
9899999 Subtotal - Preferred and Common Stocks .....					... X X X ...	.....	... X X X ...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	... X X X .	... X X X .
9999999 Total - Bonds, Preferred and Common Stocks .....					... X X X ...	..... 245,000	... X X X ...	..... 245,456	..... 244,465	..... 535	.....	.....	..... 535	.....	..... 245,000	.....	.....	.....	..... 10,487	.. X X X .	.. X X X .

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

**E06      Schedule DB Part A Section 1 ..... NONE**

**E07      Schedule DB Part B Section 1 ..... NONE**

**E08      Schedule DB Part D ..... NONE**

**E09      Schedule DL - Part 1 - Securities Lending Collateral Assets ..... NONE**

**E10      Schedule DL - Part 2 - Securities Lending Collateral Assets ..... NONE**



**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<div>NONE</div>							
8699999 Total - Cash Equivalents .....					.....	.....	.....

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